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BUDGET AND STATE OF THE STATE

MESSAGE

BY

THE HONORABLE CHARLES L. TERRY, JR.

GOVERNOR OF DELAWARE

To The

FIRST REGULAR SESSION OF THE
ONE HUNDRED TWENTY-FIFTH GENERAL ASSEMBLY

Of The

STATE OF DELAWARE

DOVER

January 14
Nineteen Hundred and Sixty-Nine

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MR. PRESIDENT
MR. PRESIDENT PRO TEM
MR. SPEAKER
MEMBERS OF THE 125TH GENERAL ASSEMBLY
FELLOW CITIZENS:

BY REASON OF YOUR INVITATION I AM HERE TO SPEAK IN DEPTH ABOUT A PROPOSED BUDGET WHICH IN A VERY REAL SENSE IS ALSO A PICTURE OF THE STATE OF THE STATE, FOR IT IS IN OUR BUDGET--THE COLLECTION AND EXPENDITURE OF MONEY--THAT WE REFLECT THE WISDOM AND PRUDENCE OF GOVERNMENT.

UPON THIS, MY FINAL SPEECH OF THIS NATURE, IT IS, OF COURSE, TEMPTING TO REVIEW ONCE MORE THE ACCOMPLISHMENTS BROUGHT ABOUT THROUGH FOUR YEARS OF INTENSE EFFORT NOT ONLY ON MY PART, BUT THROUGH THE DEDICATED CONTRIBUTION OF MANY OTHERS WORKING IN A SPIRIT OF COMPROMISE AND DISCUSSION TO ACHIEVE NOBLE AND BENEFICIAL ENDS. I SHALL RESIST THE TEMPTATION, TRUSTING CONFIDENTLY TO HISTORY TO JUDGE THE RECORD OF THE TERRY ADMINISTRATION. I HAVE BEEN THE GOVERNOR AND HAVE DONE MY BEST AND WILL ABIDE BY THE VERDICT OF THE FUTURE.

A PRIMARY DUTY OF A STATE'S CHIEF EXECUTIVE IS TO ASSURE THE EXERCISE OF FISCAL RESPONSIBILITY IN ALL AREAS, FROM TAXATION TO APPROPRIATIONS. CERTAINLY FISCAL RESPONSIBILITY HAS

CONSTANTLY HAD PRIORITY ATTENTION IN ALL THE CONSIDERATIONS AND RECOMMENDATIONS MADE BY ME. THIS FISCAL RESPONSIBILITY MEANS SUPPLYING NEEDED AND DESIRABLE SERVICES WITH A MAXIMUM OF EFFICIENCY, THE ESTABLISHMENT OF CLEAR PROCEDURES TO MAKE THE AGENCIES RESPONSIBLE TO THE GOVERNOR AND THE IMPLEMENTATION OF PROGRAMS WITHIN THE AVAILABLE REVENUE.

LET ME SAY THAT IN MY VIEW A BALANCED BUDGET MEANS FINANCING THE OPERATION OF GOVERNMENT WITHIN THE LIMITS OF ALL AVAILABLE REVENUE, INCLUDING UNCOMMITTED CASH BALANCES AND MONEY COLLECTED THROUGH FEES AND TAXATION. THE PROPOSED BUDGET I AM PRESENTING TODAY FOR THE FISCAL YEAR TO BEGIN IN JULY IS A BALANCED ONE.

IT WILL MAKE USE OF THE UNCOMMITTED $16 MILLION SURPLUS WITH WHICH WE WILL END THE CURRENT FISCAL YEAR, PROVIDE FOR ORDERLY GROWTH DURING THE NEXT YEAR AND PERMIT THE STATE GOVERNMENT TO OPERATE EFFECTIVELY THROUGH JUNE, 1970, WITHOUT BORROWING FUNDS OR RAISING THE STATE'S INCOME BY MEANS OF ADDITIONAL TAXATION.

WITH THIS BUDGET AND THOSE ENACTED BEFORE DURING MY TERM OF OFFICE WE HAVE VASTLY IMPROVED PROGRAMS THAT EXISTED BEFORE, INITIATED FAR-REACHING NEW PROGRAMS OF PROVEN MERIT AND HAVE

ESTABLISHED THE CHIEF EXECUTIVE AS THE RESPONSIBLE FISCAL OFFICER OF THE STATE.

I STAND HERE TODAY HAVING MADE NO PROMISES TO ANY PRESSURE GROUP OR SPECIAL INTEREST FOR PREFERRED CONSIDERATION OF ANY NATURE. MY ONLY SPECIFIC OBLIGATION IS THAT OF CONTINUING AND GENERAL CONCERN FOR THE PEOPLE OF THIS STATE, AND THIS BUDGET, ACCORDINGLY, IS IN THE TRADITION OF PROGRESSIVE, REALISTIC BUDGETS THAT MY PARTY HAS PROPOSED FOR EIGHT CONSECUTIVE YEARS. IT PROVIDES FOR NEW AND EXPANDED SERVICES WITHOUT INEFFICIENT CRASH PROGRAMS; IT PROPOSES TO LIVE WITHIN AVAILABLE REVENUE WITHOUT NEW TAXES. IT IS THE VERY BUDGET I WOULD HAVE PRESENTED TO YOU IF I WERE TO BE YOUR CHIEF EXECUTIVE FOR THE NEXT FOUR YEARS.

THE TOTAL RECOMMENDATIONS ARE FOR APPROPRIATIONS OF $195.2 MILLION, LEAVING A CASH BALANCE 18 MONTHS FROM NOW OF OVER HALF A MILLION DOLLARS. SINCE THERE IS LITTLE EXECUTIVE CONTROL THAT CAN BE EXERCISED OVER AUTOMATIC APPROPRIATIONS--MOSTLY REVENUE REFUNDS, ROUTINE GRANTS-IN-AID AND REVERSIONS WHICH WILL AMOUNT TO ABOUT $4.5 MILLION OF THE TOTAL BUDGET, I SHALL LIMIT MY DISCUSSION TO PORTIONS OF THE BALANCE OF $190.7 MILLION HEREIN RECOMMENDED TO BE SPENT.

THE BUDGET AS PROPOSED CONTAINS INCREASES OF ONE HALF MILLION DOLLARS FOR DEBT SERVICE AND ONE HALF MILLION DOLLARS FOR STATE EMPLOYEES' PENSIONS. AS YOU KNOW, A PENSION STUDY COMMITTEE AUTHORIZED BY THE LEGISLATURE AND NAMED BY ME HAS COMPLETED ITS STUDY. ITS REPORT WILL BE IN YOUR HANDS IN THE NEAR FUTURE.

EDUCATION, AS IT HAS IN THE PAST FOUR YEARS, CONTINUES TO RECEIVE A TOP PRIORITY IN THIS BUDGET PROPOSAL. APPROPRIATIONS FOR HIGHER EDUCATION WERE DOUBLED DURING THE YEARS 1965-69, PLACING DELAWARE AMONG THE TOP STATES IN THE NATION FOR INCREASED AID TO HIGHER EDUCATION FOR THAT PERIOD. NEXT YEAR'S BUDGET PROPOSES ANOTHER INCREASE OF $1.8 MILLION OR NEARLY 14 PER CENT.

ONE OF THE MOST DRAMATIC ADVANCES IN HIGHER EDUCATION IN DELAWARE HAS BEEN THE CREATION OF THE TECHNICAL AND COMMUNITY COLLEGES WITH TWO BRANCHES ALREADY INITIATED. THE PROPOSED BUDGET WILL PROVIDE FOR EXPANSION TO FULL, TWO-YEAR PROGRAMS AT EACH BRANCH.

DURING THE YEARS 1965-69 STATE APPROPRIATIONS FOR EDUCATION BELOW THE COLLEGE LEVEL WERE INCREASED BY 50 PER CENT WHILE THE PUPIL INCREASE WAS ONLY 22 PER CENT. ANNUAL TEACHER SALARIES WERE INCREASED BY A MINIMUM OF $1,200; ADDITIONAL ADMINISTRATORS AND CLERKS WERE PROVIDED IN EXCESS OF THOSE REQUIRED

FOR INCREASES NUMBERS OF PUPILS; EDUCATIONAL TELEVISION FOR A STATEWIDE PROGRAM WAS FUNDED IN ITS ENTIRETY; NON-SALARY APPROPRIATIONS TO THE DISTRICTS WERE INCREASED ON THE AVERAGE BY $275 PER PUPIL UNIT OR 31 PER CENT; PUPIL TRANSPORTATION REQUIREMENTS WERE LIBERALIZED FOR PUBLIC SCHOOL PUPILS AND FUNDS WERE PROVIDED FOR PRIVATE SCHOOL TRANSPORTATION; DRIVER EDUCATION PROGRAMS WERE EXPANDED AND MORE THAN 100 PUBLIC KINDERGARTEN UNITS WERE INITIATED.

BY FAR THE SINGLE LARGEST INCREASE IN NEXT YEAR'S BUDGET RECOMMENDATION--$6.5 MILLION--IS FOR IMPROVEMENTS IN THE EDUCATIONAL PROGRAM BELOW THE COLLEGE LEVEL. THE MAIN ELEMENTS IN THIS IMPROVED PROGRAM, OTHER THAN PROVISION FOR INCREASED NUMBERS OF PUPILS IN THE ELEMENTARY AND SECONDARY GRADES, ARE SIGNIFICANT:

(1) COMPLETE IMPLEMENTATION OF THE KINDERGARTEN PROGRAM STARTED ON ONLY A PIECEMEAL BASIS BY THE GENERAL ASSEMBLY DURING THE CURRENT SCHOOL YEAR;

(2) A $400 SALARY INCREASE FOR TEACHERS AND ALL OTHER PROFESSIONAL PERSONNEL EMPLOYED FOR TEN MONTHS AND A $480 INCREASE FOR THOSE ADMINISTRATORS EMPLOYED ON A TWELVE MONTH BASIS. INCIDENTALLY, I SHOULD LIKE TO COMMENT ON A

RECENT IRRESPONSIBLE STATEMENT BY AN EDUCATIONAL ASSOCIATION LEADER TO THE EFFECT THAT WHILE TEACHERS HAD BEEN REASONABLY TREATED OVER THE YEARS THAT ADMINISTRATORS HAD SOMETIMES BEEN FORGOTTEN. THE TRUTH OF THE MATTER IS THAT THERE HAS NOT BEEN A SINGLE STATE SALARY INCREASE SINCE AT LEAST 1948 FOR TEACHERS THAT DID NOT INCLUDE AN EQUAL OR LARGER INCREASE FOR ADMINISTRATORS. DURING THESE SAME YEARS THERE HAVE BEEN ADDITIONAL INCREASES FOR ADMINISTRATORS THAT DID NOT INCLUDE TEACHERS;

(3) THE REMOVAL OF ALL ELEMENTARY SCHOOL PRINCIPALS FROM THE PUPIL UNIT FORMULA, WHICH MEANS THAT LOCAL SCHOOL DISTRICTS WILL BE ABLE TO EMPLOY, ON STATE FUNDS, EXTRA TEACHERS EQUAL TO THE NUMBER OF ELEMENTARY PRINCIPALS IN THE DISTRICTS.

DURING THE PAST YEAR MUCH DESERVED ATTENTION WAS GIVEN TO OUR STATE POLICE. THE STRENGTH OF THE UNIFORMED DIVISION IS BEING INCREASED FROM 250 TO 310 MEN DURING THE CURRENT YEAR AND SALARY SCHEDULES HAVE BEEN RAISED SUBSTANTIALLY. FOR NEXT YEAR I HAVE RECOMMENDED FUNDING TO FURTHER INCREASE THIS STRENGTH BY 50 TO A TOTAL OF 360 IN THE UNIFORMED DIVISION. I HAVE ALSO RECOMMENDED FUNDS FOR THE CONTINUATION OF THE NEW DELAWARE LAW ENFORCEMENT PLANNING AGENCY AND THE PROGRAMMING FOR THE STATE POLICE CRIMINAL FILE.

YEARS AGO, WHEN FEW PEOPLE UNDERSTOOD THE NATURE OF MENTAL ILLNESS OUR STATE WAS A LEADER AMONG THE STATES IN PROGRAMS OF ENLIGHTENED REHABILITATION. I HAVE ALWAYS BELIEVED THAT THERE IS NO HIGHER PRIORITY AMONG OUR GOVERNMENT FUNCTIONS THAN THAT OF HELPING TO TRANSFORM CONFUSED, ILL CITIZENS--CHILDREN AND ADULTS ALIKE-- INTO SELF-SUSTAINING, PRODUCTIVE MEMBERS OF OUR SOCIETY. SINCE 1965 THE STATE APPROPRIATED OPERATING BUDGET OF THE DEPARTMENT OF MENTAL HEALTH HAS BEEN INCREASED BY NEARLY $3.5 MILLION OR 53%. THIS INCREASE HAS BEEN AIMED PRIMARILY AT PROVIDING ADDITIONAL NURSES, AIDES AND ATTENDANTS IN ALL PROGRAMS AND IN PROVIDING AN ADEQUATE SALARY FOR THESE EMPLOYEES.

INCLUDED IN THIS RECOMMENDATION IS THE INITIAL STAFFING FOR THE NEW CHILDREN'S HOSPITAL THAT IS NOW NEARLY COMPLETE. ON THE SURFACE IT WOULD APPEAR THAT THE BUDGETARY INCREASE FOR THIS DEPARTMENT WAS ONE AND ONE-QUARTER MILLION DOLLARS OR ABOUT 12½%. UNFORTUNATELY, SOME PART OF THIS SUM, PERHAPS AS MUCH AS $250,000 WILL BE REQUIRED JUST TO IMPLEMENT THE NEW MERIT SYSTEM SALARY SCHEDULE STARTED JULY 1, 1968, AND TO BE PAID THIS YEAR FROM A SPECIAL CONTINGENCY FUND. ON THE BRIGHTER SIDE, HOWEVER, IS THAT THIS RECOMMENDED APPROPRIATION WILL PROVIDE FOR 58 NEW POSITIONS AND ALLOW A NUMBER OF ADDITIONAL POSITIONS WHICH WERE

AUTHORIZED FOR THE CURRENT YEAR BUT UNFILLED FOR PART OF THE YEAR TO BE FILLED IN THEIR ENTIRETY NEXT YEAR. MY POINT, AGAIN, IS THAT PURELY MONETARY BUDGET COMPARISIONS FOR SUCH PROGRAMS ARE DIFFICULT.

FURTHER, ANY SUPERFICIAL COMPARISON OF THE FUNDS APPROPRIATED TO A PARTICULAR AGENCY CAN BE MISLEADING IN SOME CASES BECAUSE OF A SPECIAL, ONE YEAR PROJECT OR A SPECIAL ITEM OF CAPITAL OUTLAY THAT MAY HAVE BEEN A PART OF THE CURRENT BUDGET AND NEED NOT BE REPEATED NEXT YEAR.

FOR EXAMPLE, FOUR YEARS AGO THE COMBINED GENERAL FUND BUDGET OF THE WATER AND AIR POLLUTION AGENCIES WAS $79,000 AND FEDERAL MATCHING FUNDS AMOUNTED TO ONLY $57,000. I HAVE GIVEN THIS VITAL AREA OF POLLUTION CONTROL A HIGH PRIORITY DURING MY ADMINISTRATION AND THE CURRENT GENERAL FUND APPROPRIATION IS $455,000 WITH AT LEAST $350,000 MORE ANTICIPATED IN FEDERAL MATCHING FUNDS. IN THE CURRENT YEAR'S GENERAL FUND APPROPRIATION, HOWEVER, IS THE SUM OF $100,000 FOR AIR POLLUTION MONITORING STATIONS. WHEN COMBINED WITH THE STATIONS PURCHASED LAST YEAR THIS PARTICULAR PROGRAM OF CAPITAL OUTLAY WILL BE VIRTUALLY COMPLETE. AS A RESULT, IT WILL BE POSSIBLE TO EXPAND THE STATE SUPPORTED STAFF OF THIS AGENCY FROM THE PRESENT 41 POSITIONS TO 47 NEXT YEAR FOR

AN INCREASE OF 16% WITH A SLIGHT DECREASE IN THE OVERALL STATE APPROPRIATION. A COMPARABLE SITUATION OBTAINS IN THE STATE DISTRIBUTION AGENCY AND SEVERAL OTHERS.

IT IS MY RECOMMENDATION, FOR THE SAKE OF EFFICIENCY THAT THE DEPARTMENT OF CORRECTION NOT MAKE A PARTIAL TRANSFER TO THE INCOMPLETE FACILITY AT SMYRNA. SUCH A MOVE AT THIS TIME WOULD CAUSE UNNECESSARY DUPLICATION OF PERSONNEL AND OTHER EXPENSE. DURING THE PRESENT YEAR APPROPRIATIONS HAVE BEEN MADE TO IMPLEMENT 100% OF THE PROBATION AND PAROLE PROGRAM REQUESTED BY THE DEPARTMENT. IT IS MY UNDERSTANDING THAT MANY OF THE AUTHORIZED POSITIONS FOR THIS PROGRAM ARE VACANT, NOT BECAUSE OF A LACK OF FUNDS, BUT BECAUSE THE QUALIFICATIONS ARE TOO STRINGENT. FOR NEXT YEAR I HAVE AGAIN RECOMMENDED 100% FUNDING FOR THE PROBATION AND PAROLE PROGRAM AS REQUESTED BY THE DEPARTMENT BUT I RESPECTFULLY SUGGEST TO THE GENERAL ASSEMBLY THAT IT REVISE THE STATUTORY REQUIREMENTS FOR THESE POSITIONS TO A MORE REASONABLE LEVEL IN ORDER THAT THIS PROGRAM MAY BECOME A REALITY.

THE FINAL SIGNIFICANT BUDGETARY INCREASE RECOMMENDED FOR NEXT YEAR IS FOR THE DEPARTMENT OF PUBLIC WELFARE. IN 1965 THIS DEPARTMENT EXPENDED $2,972,000 OF STATE APPROPRIATIONS. THIS YEAR, JUST FOUR YEARS LATER, THIS DEPARTMENT HAS A STATE

APPROPRIATION OF $5,574,000. THIS IS AN INCREASE OF $2.6 MILLION OR NEARLY 88% IN JUST FOUR YEARS, AND DOES NOT INCLUDE MOST OF THE COST OF THE NEW MEDICAL CARE PROGRAM THAT HAS BEEN FUNDED BY OTHER MEANS. BECAUSE OF THE PROSPERITY OF OUR STATE AND THE CURRENTLY LOW UNEMPLOYMENT RATE THIS IS AN ESPECIALLY DISTURBING TREND. MY RECOMMENDATION FOR NEXT YEAR WILL INCREASE THIS APPROPRIATION BY $865,000 OR MORE THAN 15%. THIS IS A SERIOUS PROBLEM AREA WHICH CANNOT CONTINUE ALONG PRESENT PATTERNS WITHOUT CAUSING PERPETUAL MONETARY PROBLEMS.

FINALLY, I WOULD CALL ATTENTION TO THREE EXPERIMENTAL PROGRAMS THAT WERE INITIATED DURING THE PAST YEAR--THE SUMMER YOUTH EMPLOYMENT PROGRAM, THE DAY CARE CENTERS, AND THE RECREATION PROGRAM. NONE OF THE AGENCIES INVOLVED REQUESTED FUNDS TO CONTINUE THESE PROGRAMS NEXT YEAR. I AM REASONABLY SURE THAT THIS WAS NOT BECAUSE THESE PROGRAMS WERE CONSIDERED TO BE FAILURES BUT BECAUSE THERE HAS NOT BEEN TIME TO PROPERLY EVALUATE THEM, ESPECIALLY IN TERMS OF POSSIBLE ALTERNATIVES. FOR INSTANCE, THE DAY CARE CENTERS HAVE REALLY JUST COMMENCED. I AM CALLING YOUR ATTENTION TO THESE PROGRAMS BECAUSE THEY HAVE NOT BEEN FUNDED IN THE BUDGET RECOMMENDED FOR NEXT YEAR. BY THE TIME THE FINANCE COMMITTEE OF THE ASSEMBLY ACTS ON MY RECOMMENDATIONS

IT IS ENTIRELY POSSIBLE THAT IT WILL BE ABLE TO BETTER EVALUATE THESE PROGRAMS, THE ACTUAL COST OF EACH, AND THE COST OF ALTERNATIVES. YOU WILL NOTE THAT WITH THIS BUDGET RECOMMENDATION I HAVE ESTIMATED A CASH BALANCE OF $500,000 ON JUNE 30, 1970. THIS SURPLUS WHICH COULD BE MORE IF ECONOMIC CONDITIONS IMPROVE FURTHER, CAN CERTAINLY BE ALLOCATED IN SUCH AMOUNTS AND TO SUCH OF THESE PROGRAMS AS THE ASSEMBLY DETERMINES TO BE MOST PRODUCTIVE IN TERMS OF OUR STATE'S GOALS.

DURING THE PAST FOUR YEARS WE HAVE FINANCED VITAL PROGRAM IMPROVEMENTS AND NEW PROGRAMS IN EVERY AREA OF STATE GOVERNMENT AND ESPECIALLY IN EDUCATION WITH NO MAJOR TAX INCREASES--NO INCREASE IN CORPORATION OR PERSONAL INCOME TAXES AND NO SALES TAX. I HAVE RECOMMENDED A BUDGET THAT CAN CONTINUE THIS IMPROVEMENT OF IMPORTANT PROGRAMS DURING THE NEXT EIGHTEEN MONTHS WITH NO TAX INCREASE. I BELIEVE THE CITIZENS AND TAXPAYERS OF DELAWARE ARE ENTITLED TO THIS CONSIDERATION.

BEFORE CLOSING I WANT TO SPEAK BRIEFLY ABOUT THE 1970 PROPOSED CAPITAL BUDGET OF $44,448,000, APPROXIMATELY $11,000,000 LESS THAN THE CAPITAL BUDGET OF 1969. ON THE OTHER HAND, THE PROJECTED CAPITAL IMPROVEMENTS PROGRAM FOR 1970-1975 IS $337,832,000 VERSUS $272,408,000 FOR 1969-1974.

THIS YEAR'S CAPITAL BUDGET INCORPORATES SEVERAL INNOVATIONS FROM PREVIOUS CAPITAL BUDGETS. ONE OF THESE INNOVATIONS INCLUDES THE FUNDING OF DESIGN IN THE FIRST FISCAL YEAR, AND THE FUNDING FOR CONSTRUCTION IN THE FOLLOWING FISCAL YEAR. THIS METHOD WAS UTILIZED ON LARGE PROJECTS WHICH REQUIRE WELL OVER A 12 MONTH DESIGN PERIOD. THIS PRINCIPLE, HOWEVER, WAS NOT UTILIZED FOR SMALLER PROJECTS WHICH COULD BE PLACED UNDER CONSTRUCTION WITHIN THE FIRST YEAR OF FUNDING.

ANOTHER CHANGE IN THE CAPITAL BUDGET INCLUDES TWO NEW ACCOUNTS IN THE DEPARTMENT OF HIGHWAYS. THE FIRST BEING THE PRELIMINARY ENGINEERING ACCOUNT WHICH PROVIDES FOR $750,000 TO BE APPROPRIATED TO THE DEPARTMENT OF HIGHWAYS FOR PRELIMINARY ENGINEERING OF SPECIFIC MAJOR CORRIDOR PROJECTS. IN PREVIOUS YEARS, FUNDS WERE LINE ITEMED BY PROJECT, AS A RESULT, IF A PARTICULAR ROAD WAS DELAYED IN DESIGN THE FUNDS APPROPRIATED TO THAT ROAD WERE NOT EXPENDED. BY PROVIDING FLEXIBILITY TO THE DEPARTMENT OF HIGHWAYS IN THIS PROGRAM, IT IS MY FEELING THAT FUNDS WILL BE AVAILABLE FOR MORE EXPEDITIOUS ROAD CONSTRUCTION. IT SHOULD BE NOTED THAT I AM REQUESTING THAT THE DEPARTMENT OF HIGHWAYS ACCOUNT FOR THE EXPENDITURE OF THESE FUNDS ON A LINE ITEM BASIS.

THIS SECOND ACCOUNT WHICH I AM PROPOSING FOR THE DEPARTMENT OF HIGHWAYS IS THE RIGHT-OF-WAY ACQUISITION ACCOUNT. THIS FUND WILL BE UTILIZED TO REQUIRE RIGHTS-OF-WAY FOR CERTAIN DESIGNATED PROJECTS AND WILL CONSIST OF $1,000,000 INITIALLY. THIS FUND WILL ALSO BE ACCOUNTED FOR ON A LINE ITEM BASIS.

LAST YEAR THE LEGISLATURE AUTHORIZED A STATEWIDE KINDERGARTEN PROGRAM. THIS YEAR I AM RECOMMENDING $2,870,000 TO CONSTRUCT 170 CLASSROOMS AT ELEVEN SCHOOL DISTRICTS IN THE STATE. THESE DISTRICTS REQUIRE THE CLASSROOMS IN ORDER TO IMPLEMENT THE PROGRAM. I AM ALSO RECOMMENDING THIS YEAR THE CONSTRUCTION OF A NEW STATE POLICE TROOP STATION TO BE LOCATED ON STATE OWNED LANDS IN THE VICINITY OF LUMS POND STATE PARK. THIS STATION IS INTENDED TO PROVIDE POLICE PROTECTION TO SOUTHERN NEW CASTLE COUNTY. I AM RECOMMENDING THE DESIGN OF A NEW MEDICAL-SURGICAL BUILDING FOR THE STATE OF DELAWARE TO BE CONSTRUCTED AT DELAWARE STATE HOSPITAL. THIS BUILDING WAS RECOMMENDED BY THE HEALTH PLANNING COUNCIL, INCORPORATED, THE DEPARTMENT OF MENTAL HEALTH, AND THE DELAWARE STATE PLANNING OFFICE, IN AN EFFORT TO PROVIDE MEDICAL-SURGICAL NEEDS TO PATIENTS WHO ARE INSTITUTIONALIZED IN THE VARIOUS STATE HOSPITALS AND INSTITUTIONS OF DELAWARE. $500,000 IS RECOMMENDED TO PROVIDE 50% GRANTS TO COUNTIES AND MUNICI-

PALITIES OF THE STATE FOR ACQUISITION AND DEVELOPMENT OF PARK AND RECREATION AREAS. THESE FUNDS WILL BE ADMINISTERED BY THE STATE BUDGET COMMISSION WITH RECOMMENDATIONS BY THE STATE PLANNING OFFICE. THE WILMINGTON STATE OFFICE BUILDING COMMISSION HAS A SIGNED AGREEMENT ON SALE FOR A TRACT OF LAND IN THE CIVIC CENTER AREA OF DOWNTOWN WILMINGTON. I AM RECOMMENDING $500,000 FOR THE DESIGN OF THE WILMINGTON STATE OFFICE BUILDING. THE SEVEN PROGRAMS WHICH I HAVE OUTLINED ARE BASICALLY NEW PROGRAMS FOR OUR STATE, WHICH HAVE BEEN INITIATED EITHER THROUGH LEGISLATIVE ACTION OR EXECUTIVE POLICY. I BELIEVE THESE ARE GOOD PROGRAMS AND SHOULD BE FUNDED.

I WANT TO IMPRESS ONCE MORE THAT WE WILL HAVE AN UNCOMMITTED CASH SURPLUS FROM TAXES PAID OF $16 MILLION AS OF JULY 1, 1969. WITHOUT QUESTION, THAT MONEY SHOULD BE USED TO BALANCE EXPENDITURES. THIS IS NO TIME TO CREATE SAVINGS ACCOUNTS AT THE COST OF ADDITIONAL TAXES TO OUR CITIZENS.

TAXES SHOULD NOT BE RAISED TO FURTHER BURDEN THE PEOPLE OF DELAWARE WHEN A SUBSTANTIAL CASH SURPLUS OF $16 MILLION IS IN EXISTENCE. TO RAISE TAXES UNDER SUCH CIRCUMSTANCES WOULD BE AN UNWARRANTED AND UNJUSTIFIED IMPOSITION UPON THE TAXPAYERS.

I LEAVE OFFICE ON THE 21ST WITH THE KNOWLEDGE THAT MY

ADMINISTRATION HAS MADE A SUBSTANTIAL CONTRIBUTION TO THE WELFARE OF OUR STATE, AND IN THIS RESPECT, I WANT TO EXPRESS MY APPRECIATION FOR THE COOPERATION I HAVE RECEIVED FROM THE MEMBERS OF THE 123D AND 124TH GENERAL ASSEMBLIES. I HAVE FOUND DURING MY TERM AS GOVERNOR THAT WHEN MATTERS OF REAL IMPORTANCE AND SUBSTANCE WERE AT STAKE, THE COOPERATION OF THE LEGISLATURE HAS BEEN FORTHCOMING.

I AM TURNING OVER TO THE GOVERNOR-ELECT THE GOVERNOR'S HOUSE WHICH IS A PRICELESS TOKEN REPRESENTING THE DIGNITY OF OUR STATE AND REFLECTING ITS HERITAGE AND HISTORY IN THE FOREFRONT OF PATRIOTISM AND LIBERTY. I HOPE THAT HE WILL FIND WITHIN ITS WALLS THE CONTENTMENT AND HAPPINESS THAT HAS BEEN MINE.

I HOPE THAT EACH OF YOU WILL FIND THAT DEPTH OF INDIVIDUAL HAPPINESS THAT I HAVE FOUND WHICH IS MOST MEANINGFUL TO A HUMAN BEING WHEN HE CONCLUDES SOME PHASE OF HIS CAREER WITH THE ABSOLUTE KNOWLEDGE THAT HE HAS DONE HIS VERY BEST IN THE SERVICE OF HIS FELLOW MAN.

I WISH FOR GOVERNOR-ELECT PETERSON MUCH SUCCESS AND HAPPINESS, AND MAY GOD SHOWER HIS BLESSINGS UPON EACH OF YOU.

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